

PRESS RELEASE

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For Immediate Release

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‘BOOMERANGERS’ AND PARENTS FACE NEW INSURANCE REALITY

Insurance Needs Change as Economy Forces More Young Adults to Move Back in with Parents

CONCORD, NH, February 18, 2010 — Layoffs and a dearth of new job openings continue to add to the high rate of unemployment, leaving an increasing number of new college grads and young adults unable to make ends meet. Left with limited options, many are moving back home with Mom and Dad – an increasing trend that creates important insurance consequences for these so-called “Boomerangers” and their parents to consider.

“In this economic environment, many young adults and their parents are finding themselves in a position they never expected,” said New Hampshire Insurance Commissioner Roger Seigny. “A grown child moving back home can create insurance implications that must be considered carefully and understood to ensure everyone stays protected.”

A recent Pew Research Center study found that, in the past year, nearly 13 percent of parents with grown children have had at least one of their adult sons or daughters return home to live for financial reasons. Saddled with college loans and unexpected job loss, these young adults are forced to live at home until they can find a job and get their finances back on track.

The New Hampshire Insurance Department recommends that families who find themselves part of this new phenomenon consider the following:

Review Your Insurance Policies

A move back home provides the perfect opportunity to review existing health, home and auto insurance coverage for both parents and children to ensure it adequately reflects the new living arrangement.

As part of the review process, families might find they can save money by combining existing

insurance policies. For example, young adults renting before moving back home no longer need renter's insurance; instead, they could potentially be added to the homeowners policy. However, they need to be sure that their parents' homeowners policy has a broad enough scope to include them as "insured." Additionally, young adults might need additional coverage if the move back home forced them to rent a storage locker for their belongings or if they have big-ticket items, like jewelry, expensive electronic equipment or other valuables that may require coverage beyond what their parents' homeowners policy has currently.

Auto insurance coverage is another important consideration. Does the young adult have his or her own car that needs to be added to the parent's policy? Or does the young adult need to be added as another driver of an existing family vehicle? The good news is parents can keep any member of the family on their auto insurance policy as long as that person lives in the same house. But rates may increase, so parents should look for discounts such as those given for multiple vehicles, multiple policies (homeowners, life, health, disability), anti-theft devices and good driving records.

Parents should discuss the situation with their insurance agent to determine what level of coverage their family needs. Young adults can visit the National Association of Insurance Commissioners' dedicated section for young singles on Insure U: www.insureuonline.org/course_singles.htm to learn more.

Check with The New Hampshire Insurance Department about New Health Care Options

In many states, a parent's health insurance can now cover young adult children through their mid 20s to help dependents without employer-sponsored health insurance or the financial ability to purchase individual coverage. Consumers should reach out to the New Hampshire Insurance Department to learn more about how New Hampshire laws affect their coverage. Visit the Insurance Department's web site at www.nh.gov/insurance to find more information.

Explore Alternative Options for Insurance Coverage

If young adults don't qualify for a parent's policy, other options can be considered to make sure they stay protected. Options include:

- **Alumni Associations:** University alumni associations can be a resource for cost-effective insurance plans — health, auto, life — but this might require application within a set period of time after graduation and perhaps membership in the alumni association.
- **State Insurance Pools:** Many states have insurance pools that guarantee coverage to people rejected by private insurers. It also can provide a way to continue insurance coverage for those who exhaust COBRA benefits. Consumers should reach out to the **New Hampshire Insurance Department** to learn more about how New Hampshire laws affect their coverage and if they might be eligible.
- **Industry Associations:** Many professional groups and associations also provide members access and preferred rates. If part of an industry group, check with the organization to see what benefits are available.

For more information about auto, home, life and health insurance options, as well as tips for choosing the coverage that is right for you, visit www.nh.gov/insurance or www.InsureUonline.org

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About the NH INSURANCE DEPARTMENT

The first insurance regulator in the US, the NH Insurance Department was created in 1851 and charged with enforcing and administering New Hampshire's insurance laws. The department, an agency of the executive branch of New Hampshire state government, conducts safety and soundness and market conduct examinations of licensees, licenses insurance companies and insurance producers, reviews premium rates and policy forms, provides assistance, information and referral services to New Hampshire insurance consumers, and administers the filing and collection of New Hampshire's insurance premium tax. For more information, visit the Insurance Department's web site at: www.nh.gov/insurance.

About the NAIC

Formed in 1871, the National Association of Insurance Commissioners (NAIC) is a voluntary organization of the chief insurance regulatory officials of the 50 states, the District of Columbia and five U.S. territories. The NAIC has three offices: Executive Office, Washington, D.C.; Central Office, Kansas City, Mo.; and Securities Valuation Office, New York City. The NAIC serves the needs of consumers and the industry, with an overriding objective of supporting state insurance regulators as they protect consumers and maintain the financial stability of the insurance marketplace. For more information, visit www.naic.org.